VZCZCXRO6915 OO RUEHLH RUEHPW DE RUEHKP #0028/01 0281241 ZNY CCCCC ZZH O 281241Z JAN 09 FM AMCONSUL KARACHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 0891 INFO RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0356 RUEHBUL/AMEMBASSY KABUL PRIORITY 0204 RUEHLH/AMCONSUL LAHORE PRIORITY 2639 RUEHPW/AMCONSUL PESHAWAR PRIORITY 4522 RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL PRIORITY RUMICEA/USCINCCENT MACDILL AFB FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KARACHI 000028

SIPDIS

E.O. 12958: DECL: 01/28/2019

TAGS: ENGY SOCI PGOV PK

SUBJECT: BALOCHISTAN FACING ENERGY SHORTAGE

REF: 08 KARACHI 463

Classified By: Classified by Consul General Stephen Fakan for reasons 1 .4 (b) and (d).

11. (C) Summary: Balochistan is facing a severe energy shortage that threatens to impact agricultural production and businesses. Many Baloch lack confidence in the GOP to resolve their problem, even as the GOP formulates plans to tackle it. Beset by energy crises in other, more populated and wealthier areas of the country, it remains to be seen if the country has the resources or will to quickly address the shortage in Pakistan's largest, yet most thinly populated, province. End summary.

Balochistan Short of Electricity

12. (C) On January 20, Noor Ahmed Mengal, Balochistan Chief Engineer of Pakistan's Water and Power Development Authority (WAPDA) told EconOff that the province is suffering a severe energy crisis. According to him, Balochistan is facing a shortage of 400) 450 MW of electricity and only has two major lines with connection to the national electricity grid — both of which lack the capability to carry power throughout the province. To compound the problem, he said, Balochistan's Hub Power Company (HUBCO) is diverting 400MW to alleviate the electricity shortage in Sindh province. (Comment: Even if this HUBCO electricity could be supplied to Balochistan, the province lacks the power transmission infrastructure to adequately supply the province. End comment.)

Blackouts Affecting Agricultural Production

13. (C) Naseer Ahmed Shawani, General Secretary of the Balochistan Growers, Association, described daily blackouts due to loadshedding that can last for up to 16 hours. He said the power shortage is hampering irrigation efforts that rely on electric pumps. The result, he warned, is likely to be a shortage of wheat and other food crops. (Comment: Much of Balochistan (around 83 percent) is not arable. On the remainder, the Baloch cultivate subsistence crops such as wheat and cash generating orchard crops. While the province is a net importer of wheat, the locally grown supply is important, especially in more remote areas where market access is limited. End comment.)

Distrust, Frustration over Perceived GOP Stasis

14. (C) Shawani claimed the GOP is not serious about

resolving the problem. He said members of his association have decided not to pay their electric bills, fixed at 5,000 rupees (around USD 63) per month per well.

15. (C) Journalist Ejaz Khan told EconOff that the power shortage has affected businesses and small industries in Quetta. Indeed, Gulam Nabi, a shopkeeper in the city, told EconOff that he is experiencing average daily blackouts of 10) 12 hours. To Nabi, the problem has been underscored by increased electricity prices in the face of decreased service.

Federal Government Trying to Help

16. (C) WAPDA'S Mengal countered that the GOP is trying to resolve the shortage. He said the government plans to purchase electricity from Iran as a near term solution for border areas. The GOP also expects to complete construction of new electrical supply lines by 2012 that would be sufficient to carry the required power load. According to him, this would alleviate Balochistan's power shortage. (Note: Many of Balochistan,s villages are located so far from the existing power grid that the only viable means of supply is through solar or wind generation. End Note).

Comment

17. (C) The Baloch have often felt slighted by a lack of GOP attention to their problems. The electricity crunch in Balochistan has been overshadowed by similar problems in

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Karachi and elsewhere in Pakistan. While it is probable that the problem in sparsely populated Balochistan can be resolved with less capital outlay than in other areas of the country, it remains to be seen if the GOP has the will or the resources to carry through on its planned improvements there. To fail to do so risks increasing discontent in an already restive province (reftel). FAKAN